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# City of Detroit **CITY COUNCIL**

LEGISLATIVE POLICY DIVISION

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TO: The Neighborhood and Community Services Standing Committee

FROM: David D. Whitaker

Legislative Policy Division Staff

DATE: July 20, 2020

RE: Resolution supporting the United Way for Southeastern Michigan is urging

> Congress to expand support for essential services and nonprofits, expand food access, increase funding for 2-1-1 and increase financial stability for

households in Michigan.

The Honorable Council President Brenda Jones requested that the Legislative Policy Division draft a resolution urging Congress to expand support for essential services and nonprofits, expand food access, increase funding for 2-1-1 and increase financial stability for households in Michigan.

The draft resolution is attached for your review.

### BY THE HONORABLE COUNCIL PRESIDENT BRENDA JONES

#### RESOLUTION SUPPORTING THE UNITED WAY OF SOUTHEASTERN MICHIGAN

WHEREAS, The mission of the Detroit City Council is to promote the economic, cultural and physical welfare of Detroit's citizens through Charter-mandated legislative functions; and

**WHEREAS,** As a direct result of the COVID-19 pandemic, the economy has suffered. Large and small scale events are being cancelled, shops and restaurants have either been shuttered or mandated to operate at a reduced capacity, and as a direct result, low-wage workers have experienced job losses or a reduction in earnings; and

WHEREAS, The cutback in commerce is necessary for reducing the spread of the coronavirus. However, the residual effects have seriously impaired the economy, and the spread of the coronavirus is projected to worsen in the coming months; and

WHEREAS, With thousands of Detroiters suddenly unemployed or underemployed, due to COVID-19, individuals and families throughout our community are struggling financially. The U.S. Bureau of Labor Statistics reports that the over-the-year<sup>1</sup> changes in employment on nonfarm payrolls and employment by major industry sectors, currently reflect nearly a twenty percent decrease. The Detroit area unemployment rate has increased ten percentage points over the national average. In May 2019, the Detroit area unemployment rate was 3.8% and within a year's time, it has climbed to 23.7%; and

WHEREAS, The original intent of Congress of appropriating the CARES Act funding, was to deliver immediate aid to individuals and families, along with support for businesses. Tragically, however, for a number of reasons, a majority of people in many states, Michigan in particular, have not been able to fully access these funds and benefit from the CARES Act; and

**WHEREAS,** Nonprofits, local and state governments have responded to meet the needs of many, yet they are being stretched to their limits, as resources dwindle in the midst of a global pandemic. Mid-year predictions from the World Health Organization and the Centers for Disease Control and Prevention, suggest infections will continue to rise; and

<sup>&</sup>lt;sup>1</sup> https://www.bls.gov/regions/midwest/summary/blssummary\_detroit.pdf Retrieved July 17, 2020

**WHEREAS,** The United Way of South Eastern Michigan, is urging the U.S. Congress to expand access to food, increase funding for 2-1-1, support nonprofits, and to increase financial stability for households in Michigan; **NOW, THEREFORE BE IT** 

**RESOLVED,** That the Detroit City Council urges the U.S. Congress to expand support for essential services and nonprofits, expand food access, increase funding for 2-1-1 and to increase financial stability for households in Michigan; **BE IT FINALLY** 

**RESOLVED,** That copies of this resolution be forwarded to the Mayor and the Michigan delegation in the United States Congress.

### Attachment

The following represents the initiatives place forward by the United Way of SE Michigan. Additional information can be found on their website <a href="https://unitedwaysem.org/advocacy/help-families-impacted-by-covid-19/">https://unitedwaysem.org/advocacy/help-families-impacted-by-covid-19/</a>

## SUPPORT AND EXPAND FOOD ACCESS

With thousands of Michiganders suddenly unemployed due to COVID-19, people throughout our community are struggling to put food on the table. In addition, children throughout our state who depend on free and reduced school meals still need access to food during the school week.

The United Way of SE Michigan requests the following:

- Increase the maximum SNAP benefit by 15 percent.
- Provide Personal Protective Equipment (PPE) for food service workers and other staff.
- Enlist the Federal Emergency Management Agency to coordinate meal distribution for schools during the pandemic, increasing the schools' ability to distribute directly to households.
- Extend the Pandemic-EBT through the summer and permit additional sites to distribute to Pandemic-EBT holders to help low-income families' access food.

# **INCREASE FUNDING TO 2-1-1**

The United Way of SE Michigan requests the following:

2-1-1 connects Michiganders to the vital health and economic services they need during a crisis. With so many households relying on 2-1-1 to help them access the resources they need to get by, it is essential that Congress provides an emergency appropriation of \$150 million to support 2-1-1 call centers throughout the country.

### SUPPORT NONPROFITS

The United Way of SE Michigan requests the following:

Nonprofits provide support and stability during times of hardship. During the COVID-19 pandemic, nonprofits throughout Michigan have supplied households with food and shelter, helped them access government supports and assistance programs, provided tax assistance and legal advice and are continuing to serve the community despite the dangers posed to their employees. Yet nonprofits will soon see a drop in donations caused by the state of the economy, and this will come at a time when our communities need them the most.

- Expand and make permanent the new nonitemizer charitable deduction.
- Allocate additional funding for charities in the Paycheck Protection Program.

### INCREASE FINANCIAL STABILITY

The United Way of SE Michigan requests the following:

- Put more money into the economy by expanding the Earned Income Tax Credit and Child Tax Credit for working individuals and families.
- Provide an additional \$12 million emergency appropriation for the Volunteer Income Tax Assistance Program to help low- and moderate-income families file their taxes and receive these the benefits they are entitled to.
- Provide temporary economic relief for workers and employers by making additional investments in unemployment insurance.
- Create millions of jobs and train workers to respond to the pandemic by investing in job training and skill-building in an infrastructure package.